

1 conditions." She told me at some point in the summer
2 of this year, the summer of 1993, following her
3 conversation with one of the brokers that I previously
4 referred to, that the amount that she would need to
5 start the station was substantially less than
6 \$350,000, that she was told by one broker that it
7 could be under \$100,000, and another broker, I
8 believe, may have mentioned that it was probably a
9 little over \$100,000. But whatever it was, she told
10 me that she was going to put in the amended
11 application and that she would be putting in more of
12 her own equity and that she only needed \$40,000,
13 approximately, from me.

14 I said, "Fine. You've got it." I previously
15 committed to \$350,000. Basically, I was going to do
16 what was necessary to assist Loren in this project,
17 not as a charitable or personal favor but from, again,
18 the basic economics of it. I just think it's a hell
19 of a deal.

20 Q. Let me get back to -- you said it then went
21 down to approximately \$40,000. So what do you
22 understand your commitment to be today?

23 A. My commitment today is -- I understand that
24 there is a controversy, and I'm not familiar with the
25 facts or circumstances of the controversy as to

1 whether her initial application is still in place or
2 whether an amended application; so my understanding is
3 it's either \$40,000 or \$350,000, and it doesn't make
4 any difference. She wants to do it, I believe, at the
5 \$120,000, but I understand that there was an adverse
6 ruling by the administrative law judge; so I'm not
7 sure what the circumstances are.

8 Q. Do you know if her own financial situation
9 has changed since you committed to the approximate
10 \$40,000 amount?

11 A. I have no reason to believe that it has. I'm
12 not aware of any.

13 Q. Have you seen any documentation to that fact?

14 A. I've never seen any documentation. No
15 documentation is necessary under these circumstances
16 as far as I'm concerned. If it was, I would get it.
17 I certainly, you know, do a number of business deals
18 and where you have to bring the lawyers in and dot the
19 I's and cross the T's when you bring them in, but when
20 you deal with someone like this, as far as I'm
21 concerned, it's like dealing with a member of your
22 family; so it's on a different basis.

23 Q. Have you ever seen her FCC application or any
24 part of it?

25 A. I believe I saw part of it relatively

1 certainly in the range.

2 You remember I had said that I could not
3 recall whether there was a working capital component,
4 and it's clear there obviously must have been a
5 working capital component to \$350,000, and I don't
6 know what it was.

7 Q. Do you know why that period of time was
8 chosen rather than some other?

9 A. No. It was my understanding it was based on
10 what she believed was necessary.

11 Q. What do you mean by the term "reasonable
12 assurance"?

13 A. I'll be very honest with you. Those were --
14 she drafted this. I don't know why she used the
15 weasel words "I gave her reasonable assurance." I
16 never said, "I will give you reasonable assurance." I
17 said, "Hell, I'll do the deal myself." Those were the
18 words or words to that effect that I used. It wasn't
19 reasonable. It was a flat assurance. I committed to
20 give her the money. But I guess, you know, she was
21 playing lawyer here or something, she was afraid I
22 wouldn't want to -- she used this strong language, but
23 as I told you, I gave her a flat commitment.

24 Q. Did you give her reasonable assurance in
25 1991?

1 A. I told -- it was in the -- sometime around
2 the third week of November, 1991, that I told her that
3 I would provide the financing, and I guess a lawyer
4 might describe that as reasonable assurance. I didn't
5 say, "I will give you reasonable assurance." I said,
6 "I'll give you the financing."

7 Q. Prior to signing this document, did you do
8 any research into the FCC definition of the term
9 "reasonable assurance"?

10 A. I'm trying to remember when I read the
11 instructions to the FCC application that Loren faxed
12 to me. I believe it was before this; so if that would
13 consist of research -- I do remember reading the
14 instructions that she faxed me and agreeing with her
15 that her earlier interpretation regarding the need for
16 a writing and a letter of commitment was accurate.

17 Q. But was that --

18 A. And that was the extent of whatever research
19 I did.

20 Q. Was that research done with regard to any FCC
21 definition of the term "reasonable assurance"?

22 A. I'm telling you exactly what I did. You can
23 characterize it any way you want. I looked at the
24 instructions on the FCC form, and I noted that there
25 seemed to be different requirements for financing from

1 a bank and financing from an individual, and the key
2 question was with regard to the financing from the
3 individual, as I recall, is that she had to have, I
4 believe -- I think the phrase was "at hand" a balance
5 sheet. And I was satisfied that that was, you know,
6 that was complied with.

7 Q. When did you do this research?

8 A. It wasn't the research. You keep saying
9 "research." I read the FCC instructions. That was
10 the extent.

11 Q. Forgive me. When did you read the FCC
12 instructions?

13 A. As I said, I believe it was just -- it was
14 around the time I signed the declaration. It would
15 have been -- as I'm thinking now --

16 Q. The declaration we are speaking of now?

17 A. The exhibit that is in front of me now,
18 Exhibit 3. Come to think of it, it would have been
19 before I signed this because I think this was the last
20 thing that I did.

21 Q. How much before this?

22 A. It was probably within a week or two.

23 Q. But prior to that period, you did not do any
24 research regarding the FCC definition of the term
25 "reasonable assurance" or read any instructions or

Appendix C

REVISED BUDGET - EL RIO FM STATION

LOREN F. SELZNICK

A. Construction Costs

1. 65' pole (including labor and materials) (power at site now)	\$4,500
2. Transmitter building	5,200
3. Transmitter (1KW--Hall Electronics)	5,500
4. Exciter (30w Energy-Onyx--Hall)	2,595
5. Antenna (2-bay, Hall Electronics) plus 200 feet of transmission line, connectors adaptor etc.	3,105
6. Remote control (Sine Systems) & EBS unit	2,060
7. Modulation monitor (Innovonics)	2,200
8. STL-8 Marti (Hall Electronics) plus two Scala antennae	3,900
9. Stereo generation/processing (Hall Electronics) AFEX Compellor/Dominator) with Innovonics stereo generator	2,300 1,100
10. Satellite dish (local) and receiver	3,000
11. Production control equipment and satellite interface equipment (The Management's DJ-Lite and PC-Pro)	10,000
12. Miscellaneous studio equipment and general office supplies (such as CD player, headphones, mikes, studio supplies)	5,000
13. Studio furniture and fixtures (assumes renovations by lessor)	10,000
14. Power generator	4,000
15. Miscellaneous labor and installation	5,000
16. Miscellaneous taxes, shipping, etc.	10,000
TOTAL CONSTRUCTION COSTS.....	\$ 79,460

- B. First Three Months' Operating Costs..... **\$ 30,000**
(assumes no salary for Selznick, use of contract engineer
(\$125/month), \$575 monthly music service and fees,
\$1,200/month salary for newsman/production person,
\$1,000/month salary for receptionist/traffic/bookkeeper,
\$1,500/month salary (plus commissions) for salesperson,
\$125/week salary for 2 parttime employees, \$1750/month
for phone/utilities, \$1,000 monthly tower site rental,
and \$1850 for taxes, legal, fees & other miscellaneous)

TOTAL ESTIMATED COSTS.....\$ 109,460

Appendix D

Loren F. Selznick

Liquidity Analysis
December 30, 1993

Assets

Cash on Hand (approximate)	\$40,000
Retirement Accounts (Minus 20% Penalty and Minus 32.5% for Taxes) (approximate)	25,000
Inheritance Receivable (approximate)	8,000
99 Bank Street Apartment 3L Cooperative Stock (Current Appraised Value)	86,000
67 East 11th Street Apartment 401 Cooperative Stock (Current Appraised Value)	<u>118,000</u>
Total	\$277,000

Liabilities

Mortgage Debt (99 Bank Street) (approximate)	64,000
Mortgage Debt (67 East 11th Street) (approximate)	110,000
Bank Loans/Notes Payable	0
Credit Cards Payable (approximate)	1,100
Payable - Other (Breed, Abbot & Morgan Personal Expenses) (approximate)	<u>1,200</u>
Total	\$176,300

Net Liquid Assets **\$100,700**

E

APPENDIX E

AUGUST 1993 APPRAISAL FOR 11TH STREET APARTMENT

Unit Charge \$ 520.11 / Mo. x 12 = 7,040.32 / 11.10 = 634.26

Utilities included in unit charge: ☐ None ☒ Air Cond. ☐ Electricity ☐ Gas ☐ Water ☒ Sewer

Note any fees, other than regular Condo/PUD charges, for use of facilities \$50 SPECIAL ASSESSMENT

To properly maintain the project and provide the services anticipated, the budget appears: ☐ High ☒ Adequate ☐ Inadequate

Compared to other competitive projects of similar quality and design, subject unit charge appears: ☐ High ☒ Reasonable ☐ Low

Management Group: ☐ Owners Association ☐ Developer ☒ Management Agent (Identify) Becker Ruben 212 580 2108

Quality of Management and its enforcement of Rules and Regulations appears: ☐ Superior ☒ Good ☐ Adequate ☐ Inadequate

Special or unusual characteristics in the Condo/PUD Documents or otherwise known to the appraiser that would affect marketability (if none, so state)

Exterior Terrace on fire escape - bedroom upstairs in loft area.

Comments NA

NOTE: FHLMC does not require the cost approach in the appraisal of condominium or PUD units

Cost Approach (to be used only for detached, semi-detached, and town-house units)

Reproduction Cost New _____ Sq.Ft. @ \$ _____ per Sq.Ft. = _____

Less Depreciation: Physical \$ _____ Functional \$ _____ Economic \$ _____

Depreciated Value of Improvements: _____

Add Land Value (if leasehold, show only leasehold value-attach calculations): _____

Pro-rata Share of Value of Amenities: _____

Total Indicated Value: ☐ FEE SIMPLE ☐ LEASEHOLD _____

Comments regarding estimate of deprec. and value of land and amenity pkg. NA. Cost Approach not considered

relevant to valuing single unit within larger complex.

The appraiser, whenever possible, should analyze two comparable sales from within the subject project. However, when appraising a unit in a new or newly converted project at least two comparables should be selected from outside the subject project. In the following analysis, the comparable should always be adjusted to the subject unit and not vice versa. If a significant feature of the comparable is superior to the subject unit, a minus (-) adjustment should be made to the comparable. If such a feature of the comparable is inferior to the subject, a plus (+) adjustment should be made to the comparable.

LIST ONLY THOSE ITEMS THAT REQUIRE ADJUSTMENT

ITEM	SUBJECT	COMPARABLE NO. 1			COMPARABLE NO. 2			COMPARABLE NO. 3		
Address-Unit No.	67 East 11th	30 East 9th St			115 East 9th St			245 East 25th St		
Proj. Name	NA	#5F			#18D			#18F		
Box. to Sub		2 Blocks			3 Blocks			3/4 Mile		
Sales Price	\$	\$ 119,000			\$ 115,000			\$ 125,000		
Sq./Liv. Area	\$	\$ 168.07			\$ 160.83			\$ 178.57		
Date Source	Inspection	Institute Redbook			Institute Redbook			Institute Redbook		
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION +/- Adjust.			DESCRIPTION +/- Adjust.			DESCRIPTION +/- Adjust.		
	8/93	11/92			8/92			9/92		
Location	Ave	Ave			Ave			Ave		
Site/View	4thflr/Ave	5thflr/Ave -500			18thflr/Good -7,000			18thflr/Ave -7,000		
Design & App	Ave/Ave	Ave/Ave			Ave/Ave			Ave/Ave		
Qty of Cnct	Good	Good			Good			Good		
Age	15 eff	34			20			20 eff		
Condition	Good	Good			Ave 5,000			Ave 5,000		
Living Area, Un Count & Total Gross Living Area	Total B-rms Baths	Total B-rms Baths			Total B-rms Baths			Total B-rms Baths		
	4 1 1	3 1 1			3 1 1			3 1 1		
	652 Sq.Ft.	708 Sq.Ft. -3,000			715 Sq.Ft. -3,000			700 Sq.Ft. -2,500		
Basement & 3rd Fl.	NA	NA			NA			NA		
No. Rooms	NA	NA			NA			NA		
Unit. Util.	Ave	Ave			Ave			Ave		
Air Cond.	Unit	Unit			Unit			Unit		
Storage	Ave	Ave			Ave			Ave		
Park. Facil.	NA	NA			NA			NA		
Common Elements & Recreational Facilities	NA	NA			NA			NA		
	Ave	Ave			Ave			Ave		
Mo. Assess.	820.71	564 -3,000			265 -6,500			209 -7,500		
Leasehold Fee	Co-op	Co-op			Co-op			Co-op		
Special Energy Efficiency	Ave	Ave			Ave			Ave		
Other (eg. replaces, etc. equip remodeling)	Exterior terr	None 5,000			None 5,000			None 5,000		
	NA	NA			NA			NA		
Notes or Financing Concessions	Conv	Conv			Conv			Conv		
Net Adj. Tot		Plus X Minus -1,500			Plus X Minus -6,500			Plus X Minus -7,000		
Indicated Value of Subject		\$ 117,500			\$ 108,500			\$ 118,000		

Source: Sales selected were best available at time of inspection. Assn

not based on requested minimum value of mortgage

INDICATED VALUE BY MARKET DATA APPROACH

118,000

INDICATED VALUE BY INCOME APPROACH

(If applicable) Econ. Market Rent \$ NA /Mo. x Gross Rent Multiplier NA = \$

This appraisal is made ☒ "as is" ☐ subject to repairs, alterations, or conditions listed below

☐ Subject to completion per plans and specifications

Comments on Conditions or Appraisal: Most weight given to sale #1 due to its overall similarity to the subject in size, location and site.

Final Reconciliation: Sales Comparison Approach provides the best indication of value.

Construction Warranty ☐ Yes ☒ No

Name of Warranty Program

Warranty Coverage Expires

This appraisal is based upon the above requirements, the certification, contingent and limiting conditions and Market Value definition that are stated in

☐ FHLMC Form 438 (Rev. 7/86) FNMA Form 1004B (Rev. 7/86) filed with client

1993

☐ attached

ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF 14 August

1993 to be \$

118,000

Appraiser

Review Appraiser (if applicable)

Date Report Signed 14 August 1993

☐ Did

☒ Did Not Physically Inspect Property

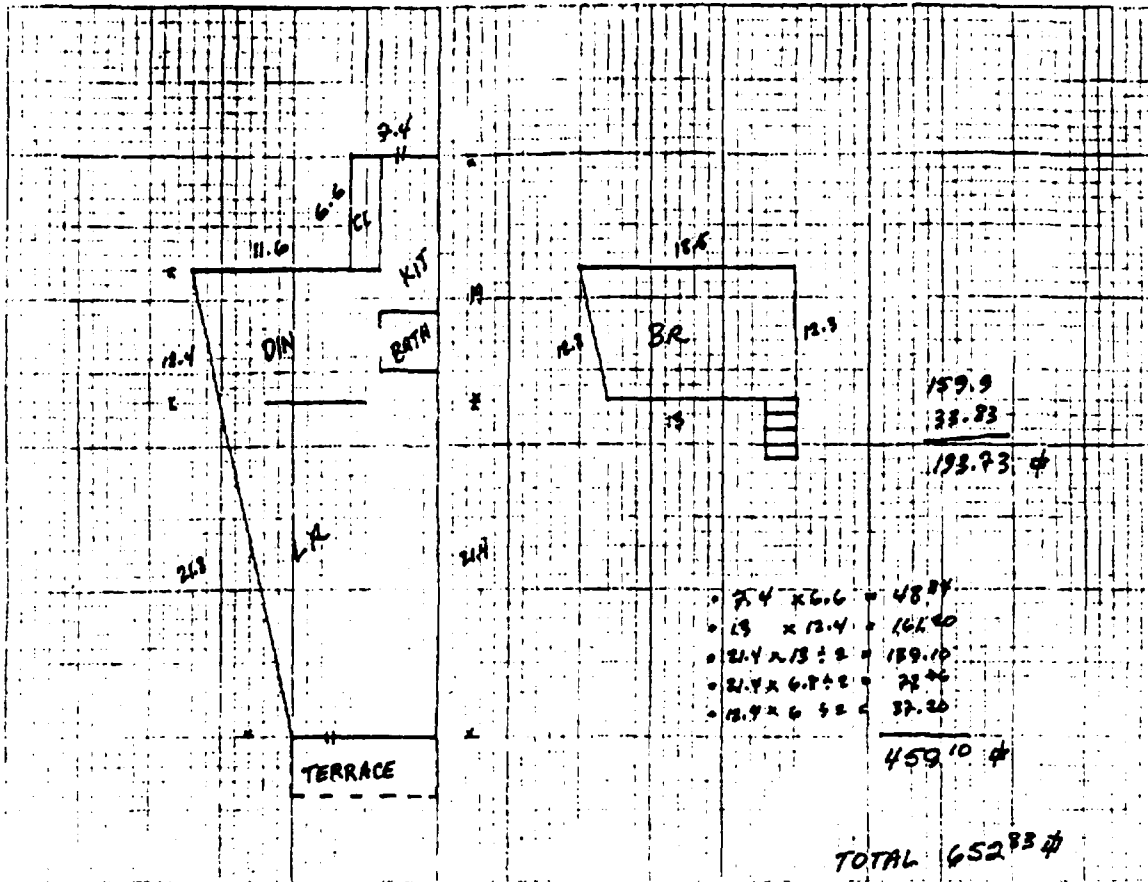
MC Form 466 9/80 (10 ch.) H.Chuku LEE NYS# 47-14819

Henry A. Salmon NYS# 46-2234 FMNA Form 1073 9/80

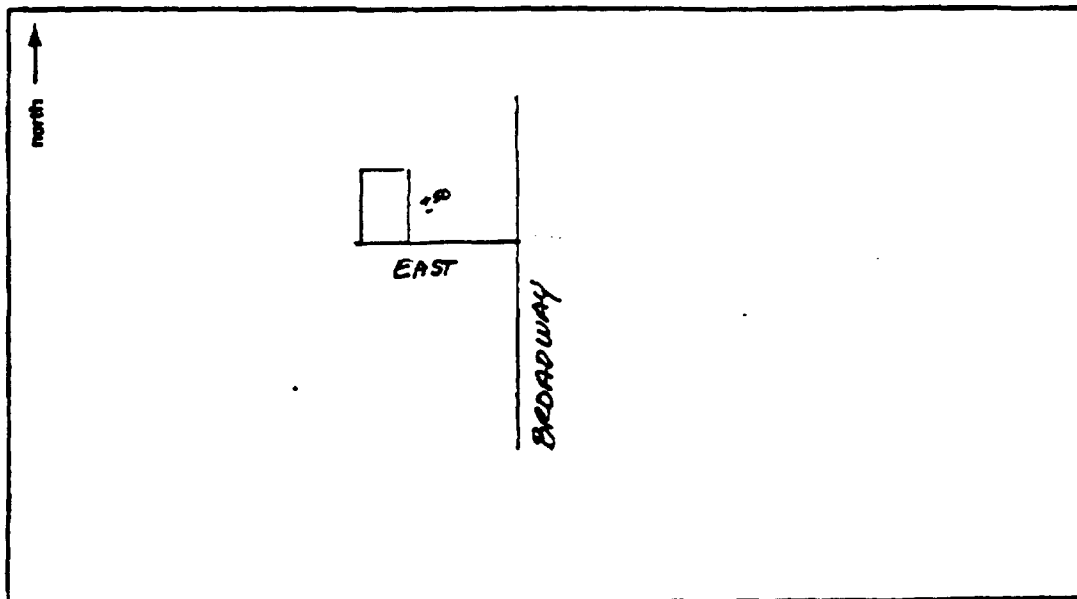
MAP SKETCH ADDENDUM

Borrower / Client			
Property Address			
City	County	State	Zip Code
Lender			

BUILDING SKETCH



LOCATION MAP ("SUBJECT PROPERTY")



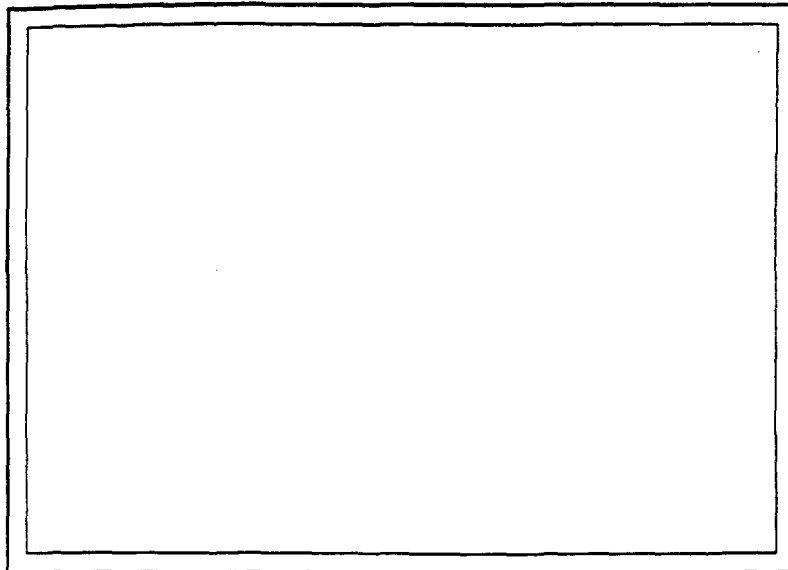
OVER FOR PHOTO ATTACHMENTS

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F

APPENDIX F

AUGUST 1993 APPRAISAL FOR BANK STREET APARTMENT

EQUITY VALUATION ASSOCIATES



LOCATED AT:

99 Bank Street
New York, NY 100

FOR:

NA
NA

AS OF:

14 August, 1993

BY:

H.Chuku Lee NYS# 47-14819

Borrower Selznick Census Tract 71 Map Re 1-C-20
Unit No. #3L Address 99 Bank Street Project Name/Phase No.
City New York County New York State NY Zip Code 100
Act. Real Estate Taxes Incl'd in Maint (yr.) Sales Price NA Property Rights Appraised ☐ Fee ☐ Leasehold
Loan Charges to be Paid by Seller NA Other Sales Concessions NA Block 624 Lot 1
Lender/Client NA Lender Address NA
Occupant Tenant Appraiser H.Chuku Lee Instructions to Appraiser Estimate Market Value
☐ FNMA 1073A required ☐ FHLMC 465 Addendum A required ☐ FHLMC 465 Addendum B required

Location ☒ Urban ☐ Suburban ☐ Rural NEIGHBORHOOD RATING
Built Up ☒ Over 75% ☐ 25% to 75% ☐ Under 25% Adequacy of Shopping ☒ Good ☐ Avg. ☐ Fair ☐ Poor
Growth Rate ☒ Fully Developed ☐ Rapid ☐ Steady ☐ Slow Employment Opportunities ☒ ☐ ☐ ☐
Property Values ☐ Increasing ☒ Stable ☐ Declining Recreational Facilities ☒ ☐ ☐ ☐
Demand/Supply ☐ Shortage ☐ In Balance ☒ Oversupply Adequacy of Utilities ☒ ☐ ☐ ☐
Marketing Time ☐ Under 3 Mos. ☐ 4-6 Mos. ☒ Over 6 Mos. Property Compatibility ☒ ☐ ☐ ☐
Present Land Use 6 % 1 Family 34 % 2-4 Family 33 % Apts. 15 % Commercial 10 % Industrial 2 % Vacant Protection from Detrimental Conditions ☒ ☐ ☐ ☐
Change in Present Land Use ☒ Not Likely ☐ Likely ☐ Taking Place Police and Fire Protection ☒ ☐ ☐ ☐
Predominant Occupancy ☒ Owner ☐ Tenant ☐ % Vacant General Appearance of Properties ☒ ☐ ☐ ☐
Condominium Price Range \$ 150 to \$ 500 Predominant \$ 275 Distance 2 blks Access or Convenience ☒ ☐ ☐ ☐
Age 40 yrs. to 125 yrs. Predominant 75 yrs. Employment Centers NYC ☒ ☐ ☐ ☐
Single Family Price Range \$ NA to \$ NA Predominant \$ NA Neighborhood Shopping 1 blk ☒ ☐ ☐ ☐
Age NA yrs. to NA yrs. Predominant NA yrs. Grammar Schools 1/4 mi ☒ ☐ ☐ ☐
Describe potential for addit. Condo/PUD units in nearby area Due to oversupply in market, potential for additional units is limited. Freeway Access 1/2 mi ☒ ☐ ☐ ☐
NOTE: FHLMC/FNMA do not consider race or the racial composition of the neighborhood to be reliable appraisal factors.
Describe those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, noise, view, mkt. area, population size and financial ability)
Located in Manhattan Community District #2 - West Village - where Average family income is \$64,351. Population grew 3.34% btwn 1980/90 Median age 37.7 years

Lot Dimensions (if PUD) NA = NA Sq. Ft. ☒ Corner Lot Project Density When Compl. as Planned 120 Units/Acre
Zoning Classification Residential Present improvements ☒ do ☐ do not conform to zoning regulations
Highest and Best Use: ☒ Present use ☐ Other (specify) _____

Public ☒ Other (Describe) _____ OFF-SITE IMPROVEMENTS
Elec. ☒ Street Access ☒ Public ☐ Private
Gas ☒ Surface Macadam
Water ☒ Maintenance ☒ Public ☐ Private
San. Sewer ☒ Storm Sewer ☒ Curb/Gutter
☒ Undergroud Elec. & Tel. ☒ Sidewalk ☒ Street Lights
Project Ingress/Egress (adequacy) Average
Topo Level
Size/Shape Average/rectangular
View Amenity Average
Drainage/Flood Conditions Adequate
Is prop. located in a HUD ident. Spec. Flood Hazard area? ☒ No ☐ Yes

Comments (including any easements, encroach. or other adverse conditions) No apparent adverse easements or encroachments. Flood Map 360 497 Panel 47 Zone C 11/83

TYPE PROJECT ☒ Existing Approx. Year Built 1900 Original Use Apartment Hs
☐ Condo ☐ PUD ☒ Converted (19 80)
☐ Proposed ☐ Under Construction
☒ Elevator ☐ Walk-up No. of Stories 7
☐ Row or Town House ☐ Other (specify) _____
☒ Primary Residence ☐ Second Home or Recreational

If Completed: No. Phases 1 No. Units 120 No. Sold 120
If Incomplete: Planned No. Phases NA No. Units NA No. Sold NA
Units in Subject Phase: Total 120 Completed 120 Sold 120 Rented NA
Approx. No. Units for Sale: Subject Project NA Subject Phase NA

Exterior: Wall Brick Roof Covering Asphalt Roll Security Features Intercom, standard locks
Elevator: No. 2 Adequacy & Cond. Average Soundproofing: Vertical Average Horizontal Average
Parking: Total No. Spcs. NA Ratio NA Spaces/Unit Type NA No. Spaces for Guest Parking NA
Describe common elements or recreational facilities NA
Are any common elements, rec. facil. or parking leased to Own. Assoc. NA If yes, attach addend. describing rental, terms and options.

☒ Existing ☐ Proposed ☐ Under Constr. Floor No. 3 Unit Livable Area 448 ☒ Basement NA % Finished NA ☒
Parking for Unit: No. NA Type ☐ Assigned ☐ Owned Convenience to Unit _____

Room List	Foyer	Liv	Din	Kit	Bdrm	Bath	Fam	Rec/Lndry	Other
Basement									
1st Level									
2nd Level									
3rd	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>					

Floors ☐ Hardwood ☒ Carpet over ☐
Interior Walls ☒ Drywall ☐ Plaster ☐
Trim/Finish ☐ Good ☒ Average ☐
Bath Floor ☒ Ceramic ☐
Windows (type) Dbt Hng ☐ Storm Sash ☐ Screens ☐ Combo
Kitchen Equipment ☒ Refrigerator ☒ Range/Oven ☐ Fan/Hood ☐ Washer ☐ Dryer
☒ Intercom ☐ Disposal ☐ Dishwasher ☒ Microwave ☐ Compactator
HEAT: Type Steam Fuel Oil Cond. Ave
AIR COND: ☐ Central ☒ Other unit ☒ Adequate ☐ Inadequate
☐ Earth Sheltered Housing Design ☐ Solar Design/Landscape ☐ Solar Space Heat/Air Cond. ☐ Solar Hot Water
☐ Flue Damper ☐ Elec./Mech. Gas Furn. Ignition ☐ Auto Setback Thermostat ☒ Double/Triple Glazed Windows ☐ Caulk/Weatherstrip
INSULATION (state R-Factor if known) ☒ Walls ☒ Ceiling ☐ Floor ☐ Roof/Attic ☐ Water Heater

UNIT RATING
Condition of Improvements ☒ Good ☐ Avg. ☐ Fair ☐ Poor
Room Size and Layout ☒ ☐ ☐ ☐
Adequacy of Closets and Storage ☒ ☐ ☐ ☐
Klt. Equip., Cabinets & Workspaces ☒ ☐ ☐ ☐
Plumbing - Adequacy and Condition ☒ ☐ ☐ ☐
Electrical - Adequacy and Condition ☒ ☐ ☐ ☐
Adequacy of Soundproofing ☒ ☐ ☐ ☐
Adequacy of Insulation ☒ ☐ ☐ ☐
Location within Project or View ☒ ☐ ☐ ☐
Overall Livability ☒ ☐ ☐ ☐
Appeal and Marketability ☒ ☐ ☐ ☐
Est. Effective Age 10 to 15 yrs.
Est. Remaining Economic Life 45 to 50 yrs.

If rehab proposed, do plans and specs provide for adeq. energy conserv.? NA If no, attach description of modification needed.
ENERGY EFFICIENCY APPEARS: ☐ High ☒ Adequate ☐ Low Energy Audit: ☐ Yes (attach, if available) ☐ No
COMMENTS (special features, functional or physical inadequacies, modern. or repairs needed etc.) Studio unit maintained average condition.

Unit Charge: 396.67 /Mo. x 12 = 4,760.04 / 10.62 /Sq.Ft./year of livable area Ground Rent (if any): \$ /yr.

Utilities included in unit charge: ☐ None ☐ Heat ☐ Air Cond. ☐ Electricity ☐ Gas ☒ Water ☐ Sewer

Note any fees, other than regular Condo/PUD charges, for use of facilities: NA

To properly maintain the project and provide the services anticipated, the budget appears: ☐ High ☒ Adequate ☐ Inadequate

Compared to other competitive projects of similar quality and design, subject unit charge appears: ☐ High ☒ Reasonable ☐ Low

Management Group: ☐ Owners Association ☐ Developer ☒ Management Agent (Identify) Andrews Bldg Corp 212 529 5688

Quality of Management and its enforcement of Rules and Regulations appears: ☐ Superior ☐ Good ☒ Adequate ☐ Inadequate

Special or unusual characteristics in the Condo/PUD Documents or otherwise known to the appraiser that would effect marketability (if none, so state): NA

Comments: NA

NOTE: FHLMC does not require the cost approach in the appraisal of condominium or PUD units

Cost Approach (to be used only for detached, semi-detached, and town-house units)

Reproduction Cost New: 448 Sq.Ft. @ \$ per Sq.Ft. = \$

Less Depreciation: Physical \$ Functional \$ Economic \$

Depreciated Value of Improvements: \$

Add Land Value (if leasehold, show only leasehold value-attach calculations): \$

Pro-rata Share of Value of Amenities: \$

Total Indicated Value: ☐ FEE SIMPLE ☐ LEASEHOLD \$

Comments regarding estimate of deprec. and value of land and amenity pkg.: Cost Approach not considered relevant for valuing single unit in co-op development.

The appraiser, whenever possible, should analyze two comparable sales from within the subject project. However, when appraising a unit in a new or newly converted project at least two comparables should be selected from outside the subject project. In the following analysis, the comparable should always be adjusted to the subject unit and not vice versa. If a significant feature of the comparable is superior to the subject unit, a minus (-) adjustment should be made to the comparable if such a feature of the comparable is inferior to the subject, a plus (+) adjustment should be made to the comparable.

LIST ONLY THOSE ITEMS THAT REQUIRE ADJUSTMENT

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address-Unit No. Proj. Name	99 Bank Stre	227 West 11th St #45	10 West 15th St #1108	89 Bedford St #3
Prox. to Sub		1/3 Mile	1 Mile	1/3 Mile
Sales Price		\$ 107,000	\$ 110,000	\$ 118,000
Pr./Liv. Area		\$ 220.16	\$ 180.32	\$ 201.36
Data Source	Inspection	Institute Redbook	Institute Redbook	Institute Redbook
Date of Sale and Time Adjustment	8/93	5/93	5/93	12/92
Location	Good	Good	Ave	Good
Site/View	3flr/Ave	4flr/Ave	11flr/Good	3flr/Ave
Dsgn & App	Ave/Ave	Ave/Ave	Ave/Ave	Ave/Ave
City of Cnst	Good	Good	Good	Good
Age	1900	1900	1965	1900
Condition	Ave	Good	Good	Good
Living Area	Total: B-rms: Baths: 2 0 1	Total: B-rms: Baths: 3 1 1	Total: B-rms: Baths: 3 1 1	Total: B-rms: Baths: 3 1 1
Rm Count & Total Gross Living Area	448 Sq.Ft.	486 Sq.Ft.	610 Sq.Ft.	586 Sq.Ft.
Basement & Bsm	NA	NA	NA	NA
Fini Rooms	NA	NA	NA	NA
Funct. Util.	NA	NA	NA	NA
Air Condit.	Unit	Unit	Unit	Unit
Storage	Ave	Ave	Ave	Ave
Park Facil.	NA	NA	NA	NA
Common Elements & Recreational Facilities	NA	NA	NA	NA
Mo. Assess.	396.67	440.00	490.00	506.00
Leaseh./Fee	Co-op int	Co-op int	Co-op int	Co-op int
Special Energy Effic Items	NA	NA	NA	NA
Other (eg. fireplaces, kitch. equip remodeling)	NA	NA	NA	NA
Sales or Financing Concessions	Conv	Conv	Conv	Conv
Net Adj. Tot		Plus <input checked="" type="checkbox"/> Minus <input type="checkbox"/> -21,000	Plus <input checked="" type="checkbox"/> Minus <input type="checkbox"/> -25,500	Plus <input checked="" type="checkbox"/> Minus <input type="checkbox"/> -24,000
Indicated Value of Subject		\$ 86,000	\$ 84,500	\$ 94,000

Comments on Market Data Analysis: Adjustments required slightly exceed FNMA Gross & Net adjustment guidelines due to lack of sales of interior and nearby studio units from which to draw data and conclusions. See Addendum

INDICATED VALUE BY MARKET DATA APPROACH: \$ 86,000

INDICATED VALUE BY INCOME APPROACH (if applicable) Econ. Market Rent \$ NA /Mo. x Gross Rent Multiplier NA = \$ This appraisal is made ☒ "as is" ☐ subject to repairs, alterations, or conditions listed below ☐ Subject to completion per plans and specificationsComments on Conditions or Appraisal: This assignment not based upon requested minimum value or mortgage amount.

Final Reconciliation: Direct Sales Comparison Approach provides the best indication of value. Most weight given to Sale #1 due to its overall similarity to subject in size and location.

Construction Warranty ☐ Yes ☒ No Name of Warranty Program Warranty Coverage Expires

This appraisal is based upon the above requirements, the certification, contingent and limiting conditions and Market Value definition that are stated in

☐ FHLMC Form 439 (Rev. 7/86) FNMA Form 1004B (Rev. 7/86) filed with client 1993 ☐ attachedESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF 14 August, 1993 to be \$ 86,000Appraiser H. Chuku Lee Review Appraiser (if applicable) Date Report Signed 14 August, 1993 ☐ Did ☒ Did Not Physically Inspect Property

Borrower/Client	Seiznick				
Address	99 Bank Street				
City	New York	County	New York	State	NY
				Zip Code	10014
Lender/Client	NA				

AREA

Subject is located in the West Village section of Greenwich Village; an exclusive, high rent district serviced by all necessary utilities, transportation and shopping facilities. Residents are upscale professionals, artists musicians, etc.

LOCATION

Adjustments were made to reflect the impact of location on comparable value. Sale #2 is less desirable only because it lies across West 14th Street (northern border for the Village).

SITE/VIEW ADJUSTMENTS

An adjustment of \$1,000 per floor was made to reflect the impact of higher floors on value; the higher the floor the better the view, the higher the value.

CONDITION

All sales were given an adjustment to reflect the fact that the subject is undergoing exterior renovations (witness the exterior scaffolding)

GROSS LIVING AREA

An adjustment of \$65.00 per sq foot was made to reflect the difference in sq ft size between the sales and the comparables.

TOTAL GROSS/NET ADJUSTMENTS

Total gross and net adjustments exceed FNMA guidelines due to the lack of recent interior sales from which the appraiser could draw data and conclusions. The most recent sales were more than 1 year ago and were for 1 bedroom units with more shares than the subject.

The subject has 175 shares; the most recent sales were:
#4F sold 7/92 277 shares sale price \$114,000
#7R sold 11/91 275 shares sale price \$175,000

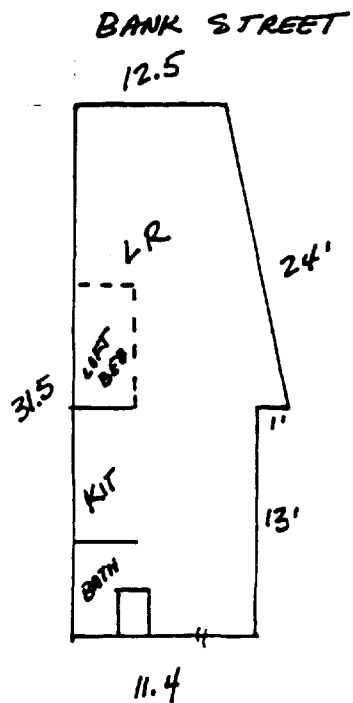
UNDERLYING MORTGAGE

Current mortgage is \$400,000
Due June 1998
Interest rate is 7.25%
Monthly Payment is \$3,336

MAP SKETCH ADDENDUM

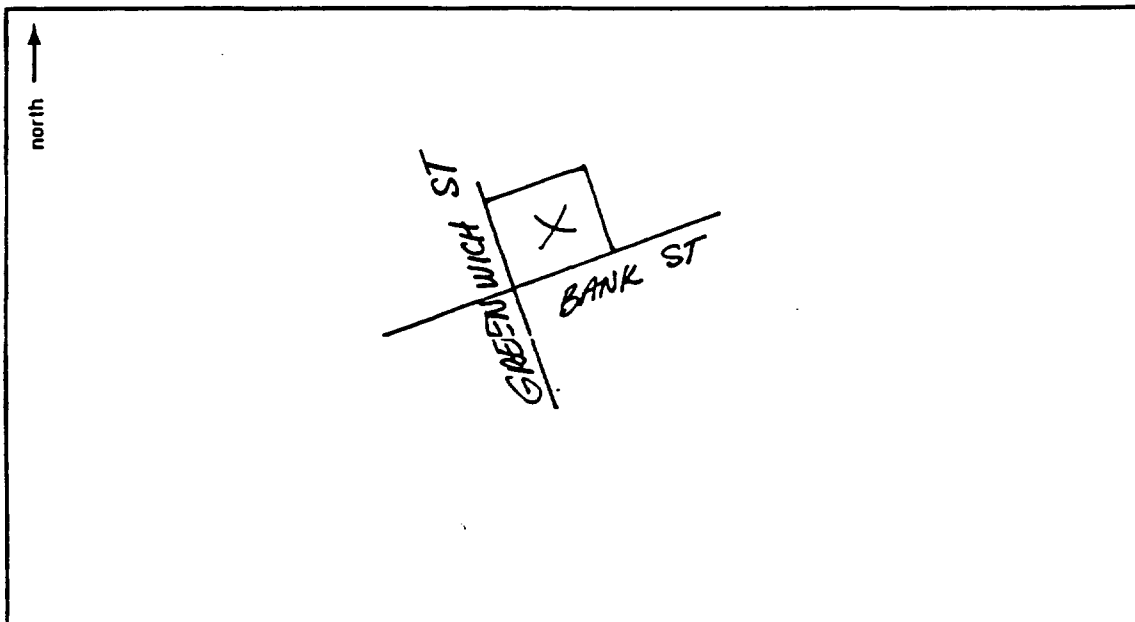
Borrower/Client	SELZNICK					
Property Address	99 BANK STREET					
City	NEW YORK	County	NEW YORK	State	NY	Zip Code 10014
Lender	NA					

BUILDING SKETCH



$$\begin{aligned}
 11.4 \times 13 &= 148.20 \\
 12.5 \times 24 &= 300 \\
 \hline
 448.20 & \text{ sq ft}
 \end{aligned}$$

LOCATION MAP [*SUBJECT PROPERTY]



OVER FOR PHOTO ATTACHMENTS

LOCATION MAP



SUBJECT OTOGRAPH ADDENDUM

Borrower/Client **Selznick**

Address **99 Bank Street**

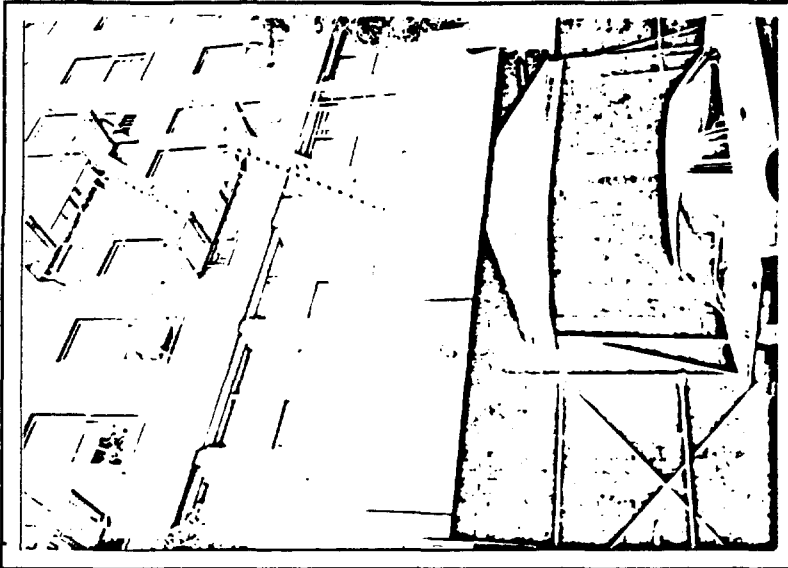
City **New York**

County **New York**

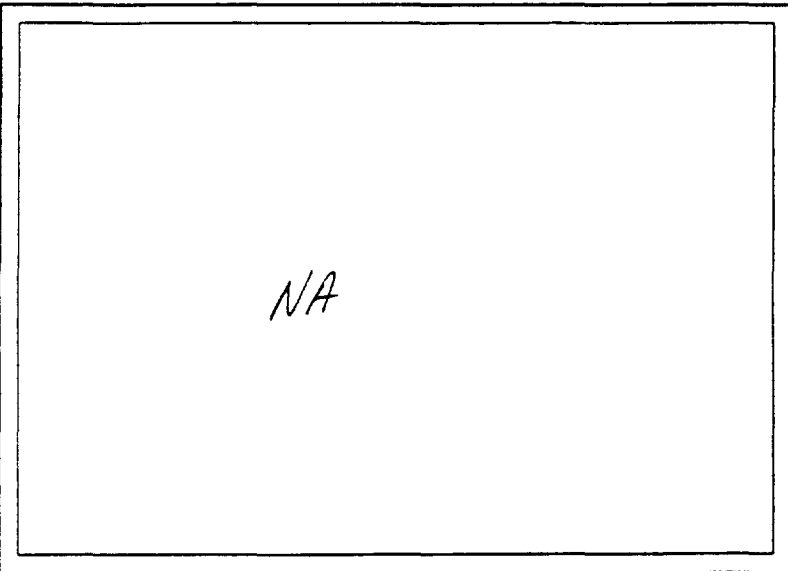
State **NY**

Zip Code **100**

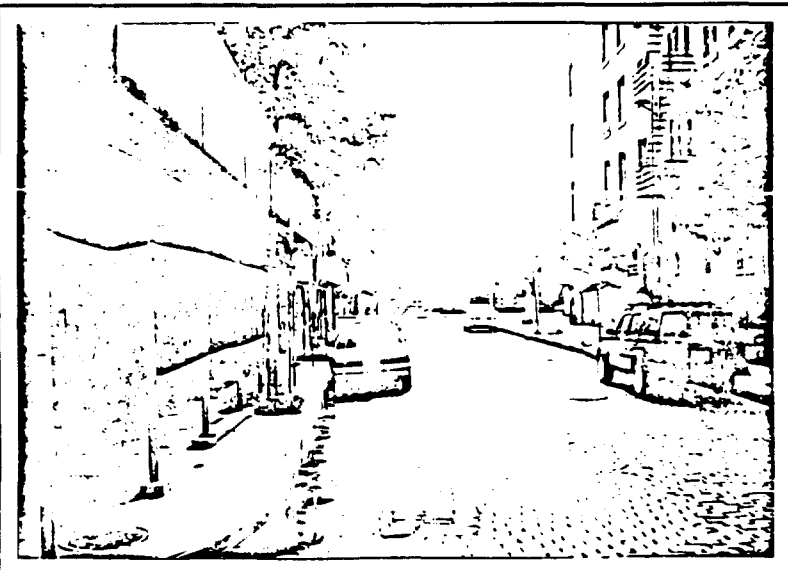
Lender/Client **NA**



**FRONT OF
SUBJECT PROPERTY**



**REAR OF
SUBJECT PROPERTY**



STREET SCENE

COMPARABLE SALES PHOTO ADDENDUM

Borrower/Client **Seiznick**

Address **99 Bank Street**

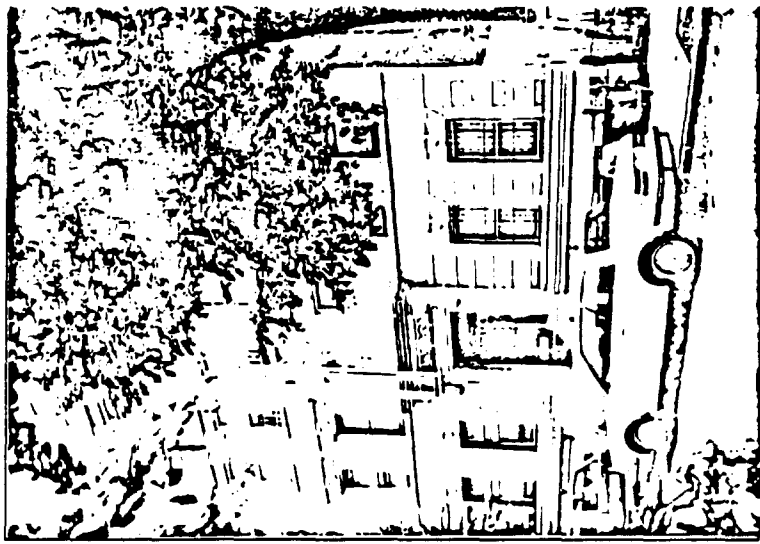
City **New York**

County **New York**

State **NY**

Zip Code **100**

Lender/Client **NA**



COMPARABLE SALE #1

227 West 11th St
#45

Sale Date: 5/93

Sale Price: \$107,000

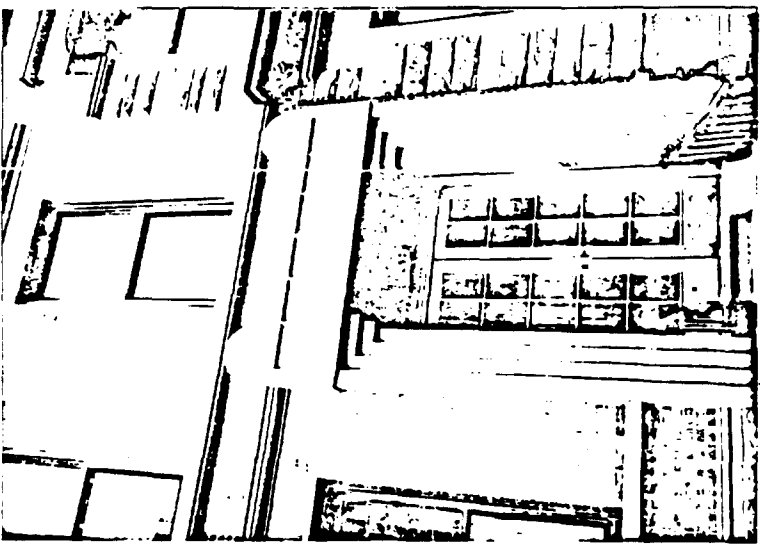


COMPARABLE SALE #2

10 West 15th St
#1108

Sale Date: 5/93

Sale Price: \$110,000



COMPARABLE SALE #3

89 Bedford St
#3

Sale Date: 12/92

Sale Price: \$118,000

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS

CERTIFICATION: The Appraiser certifies and agrees that:

1. The Appraiser has no present or contemplated future interest in the property appraised; and neither the employment to make the appraisal, nor the compensation for it, is contingent upon the appraised value of the property.
2. The Appraiser has no personal interest in or bias with respect to the subject matter of the appraisal report or the participants to the sale. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.
3. The Appraiser has personally inspected the property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. To the best of the Appraiser's knowledge and belief, all statements and information in this report are true and correct, and the Appraiser has not knowingly withheld any significant information.
4. All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analyses, opinions, and conclusions contained in the report).
5. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the appraisal organizations with which the Appraiser is affiliated.
6. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraiser whose signature appears on the appraisal report, unless indicated as "Review Appraiser." No change of any item in the appraisal report shall be made by anyone other than the Appraiser, and the Appraiser shall have no responsibility for any such unauthorized change.

CONTINGENT AND LIMITING CONDITIONS: The certification of the Appraiser appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in the report.

1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The Appraiser has made no survey of the property.
3. The Appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefor.
4. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
5. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.
6. Information, estimates, and opinions furnished to the Appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser.
7. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated.
8. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the Appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the Appraiser is connected), shall be used for any purposes by anyone but the client specified in the report, the borrower if appraisal fee paid by same, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States or any state or the District of Columbia, without the previous written consent of the Appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the Appraiser.
9. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.

Date 14 August, 1993

Appraiser



H. Chuku Lee NYS# 47-14819

Date 14 August, 1993

Review Appraiser


Harry A. Salmon NYS#46-2234

Form 438 JUL 88

Form 10048 JUL 88